

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 1100 - HB 1291

March 19, 2021

SUMMARY OF BILL: Requires the Basic Education Program (BEP) formula to fund one full-time school social worker position for each 250 or fewer students.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – \$146,818,800/FY21-22 and Subsequent Years

Increase Local Expenditures – \$70,700/FY21-22 and Subsequent Years*

Assumptions:

- The BEP formula currently funds social workers positions at a ratio of 1:2,000 students.
- Based on information provided by the Department of Education (DOE), changing the funding ratio for social workers to 1:250 increases the number of social worker positions generated through the BEP from 494.7 to 3,982, for a net increase of approximately 3,487.3 social worker positions.
- The state share of the BEP will fund approximately \$42,101 per social worker position.
- Re-calculating the FY20-21 BEP, using a social worker to student ratio of 1:250 will result in a recurring increase in state expenditures of approximately \$146,818,817 (3,487.3 positions x \$42,101) for FY21-22 and subsequent years.
- The increase in BEP funding will increase the minimum required local match by \$69,769,000 for districts receiving an increase in BEP funding as a result of this bill.
- Most districts already contribute local funds in excess of the minimum required local match; however, it is estimated that three districts would need to increase their local contribution in order to meet the increased required local match.
- The total mandatory recurring increase in local expenditures for such districts is estimated to be \$70,675 in FY21-22 and subsequent years.
- Future legislation which alters the BEP funding formula may result in local governments utilizing current excess local contributions to fund the minimum local match requirement and a combination of multiple such legislation may result in mandatory increases in local match requirements for certain school districts.

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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